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Interim Executive Director

K A N S A S

ANDREW ALLISON, PhD
Deputy Director

KANSAS HEALTH POLICY AUTHORITY

Approved: August 4, 2006

Minutes – KHPAB Meeting of July 18, 2006

Board Members Absent:

Commissioner Sandy Praeger
Secretary Duane Goossen, Dept of Administration

All Remaining Board Members Present

Board Staff Present:

- Dr. Marci Nielsen, Interim Executive Director
- Dr. Andy Allison, Deputy Director

Legal Counsel Present:

- H. Philip Elwood

Guests:

Carol Foreman, Deputy Secretary, KS Dept of Administration
Jay Rogers, KS Insurance Department

Call to Order – Welcome – Introductions

Chair Connie Hubbell called the meeting to order, welcomed the board members and guests, and reviewed the agenda (handout).

The minutes from the June 20th Board meeting were approved.

Approval of Subcommittee Membership. Chair Hubbell reviewed list of Subcommittee Members (see handout) as follows:

Finance and Audit: Ned Holland, Chair; Joe Tilghman; Secretary Rod Bremby.

Human Capital and Compensation: Arneatha Martin, Chair; Acting Secretary Kathy Greenlee; Dr. Vernon Mills; Dr. Ray Davis (upon confirmation).

Governance and Nominating: Garen Cox, Chair; Susan Page; Secretary Gary Daniels

- **ACTION:** Motion was made, seconded and passed to approve the subcommittee membership as stated above.
- **ACTION:** Chair Hubbell advised that, according to the Board by-laws, the Governance and Nominating Subcommittee will consider nominees to the Executive Subcommittee, for approval by the full Board at the August 15th meeting.

Townhall Meetings. Chair Hubbell reported on the recent townhall meetings held in Kansas City and Wichita, which were held to solicit input from the public on the direction of health policy for Kansas. Both meetings were well-attended by medical providers, advocacy groups, health associations, consumers and legislators. Dr. Nielsen added that an additional townhall meeting is scheduled on July 27th in Hays and that a summary of the three meetings will be made available after the Hays meeting. Chair Hubbell and Dr. Nielsen thanked the Board members who attended the KC and Wichita meetings; and both felt the testimony provided will be helpful in providing guidance to the Authority for the direction of health policy.

Updates from Dr. Andrew Allison, Deputy Director

Summary of Rules and Regulation Procedures. Dr. Allison explained the process which now requires the Board members to formally approve or adopt agency rules and regulations. The laws relating to this process specifically state that this process must be accomplished by the Board members rather than delegating to agency staff; that the proceeding must follow the open meeting laws; and that a roll call vote is needed. Chair Hubbell added that the current process includes posting a public meeting notice, and review by the Attorney General's Office and the Joint Committee of Rules and Regulations. It was also determined that the voting process can be accomplished via teleconference call if necessary. There was discussion about this process, whether it merits the review from the individual Board members or whether a Board subcommittee can review the rules and regulations and then bring to full Board for a vote.

- **ACTION:** Chair Hubbell advised that this process will be reviewed again by consultation with Counsellor Elwood and clarification will be shared at a future meeting.
- **ACTION:** Since one of the regulation changes related to pharmaceuticals and the role of the Drug Utilization Review (DUR), a request was made to have presentation on the DUR at an upcoming Board meeting.

Review of Budget and Performance. Dr. Allison reviewed the budget documents (handouts) with the Board. The documents included a FY 2007 Expenditure Report as well as numbers of Kansas Medical Assistance Plans (KMAP) beneficiaries, KMAP expenditures by populations groups, State Employee Health Plan (SEHP) members, claims payments, and prevention screening rates.

- **ACTION:** For future budget presentations to the Board, the Finance subcommittee will review the different levels of detailed reports and then summarize for the full Board to review at the monthly Board meetings. The Finance subcommittee is to meet and report their findings back to the full Board in two months.

Legislative Request for Special Studies - Dr. Allison reviewed the revised summary of special studies to be completed by the agency to include areas of drug rebate, consumer identification, presumptive eligibility, dental programs, and specialty hospitals licensure laws. This summary will be updated on a regular basis, as staff proceed with the completion of these studies; and a status report will be brought back to the Board on a regular basis.

State Employee Health Plan. Dr. Allison reported briefly on the upcoming Health Care Commission meeting scheduled for July 26th, at which time a legislative proviso relating to abortion coverage will be discussed. He clarified that, even though the Health Care Commission's role in relation to the Authority would be to make decisions relating to benefits for state employees, the Authority would still have the decision-making authority on budget items requested by the Health Care Commission.

Review of the Deficit Reduction Act (DRA) by Scott Brunner, Director of Medical Assistance Plans

Mr. Brunner provided an overview on the DRA changes to regulatory and program compliance and to state program requirements. He also outlined the DRA changes to the areas of pharmacy, citizenship verification, targeted case management, long-term care and estate recovery; and explained how DRA could increase Medicaid benefit flexibility, described cost sharing services/premiums and explained the availability of health opportunity accounts. Mr. Brunner closed by advising the agency is awaiting additional guidance from the Centers of Medicare/Medicaid Services (CMS) and that further information will be shared at a later date.

Authority Principles - Framework for Legislative and Budget Priorities by Dr. Marci Nielsen

Dr. Nielsen distributed copies of Authority "Draft Principles for Promoting Health in Kansas", along with a draft summary of 2007 legislative and budget options, which listed a number of policy options under each of the four draft principles. The Board was requested to review each option and determine if policy should be adopted, if additional information was needed, or if policy should be delayed.

- **ACTION:** This draft policy option summary will then be reviewed by agency staff to add further clarity and cost estimates and will be brought back to the Board at the August meeting.
- **ACTION:** The Draft Principles (Vision Statements) will be revised and brought back to the Board at a future meeting.

Adoption of Rules and Regulations

Chair Hubbell requested roll call vote from each voting Board member on the following regulations: KAR 129-14-22; KAR 129-6-38; KAR 129-5-1; KAR 30-14-22; KAR 30-6-38

- **ACTION:** Motion was made, seconded and passed to adopt the aforementioned regulations.

Public Comments

A presentation was made by Dr. Michael Bond from the Flint Hills Center for Public Policy, on "Consumer-Driven Reform in the Kansas Medicaid Program". There were no other comments from the public.

Next Steps for the Board

- Reggie Robinson, CEO of the Kansas Board of Regents, will present to the Authority Board at the August meeting.
- Revised Authority Principles/Vision Statements will be reviewed at a future meeting.
- Updated Legislative/Budget Option Summary will be reviewed at August meeting.
- Executive Subcommittee membership will be approved at August meeting.
- Authority's Legislative Proposals will be reviewed and discussed at future Board meeting.
- Review of the DUR Board will be scheduled for an upcoming Board meeting.
- Report from the Finance Subcommittee at the September meeting.
- Update on the Healthy 2010 Initiative will be provided at the September meeting.
- Presentation by state auditors and/or Medicaid Fraud and Abuse Unit at future Board meeting.

Adjournment

Meeting was adjourned. The next Authority Board meeting is August 15, 2006, 8:30 to 3:30, 9E/9F Conf Room.

7-27-06